

as the Great and Powerful Oz proclaims that every government program can be funded and every budget balanced simply by eliminating the so-called tax cuts for the rich.

But the American people are not so easily duped. And they are showing up at Emerald City looking for real leadership and real answers, not just talking points.

That is the real choice facing the American people today. They can choose the fiscal leadership of those such as Chairman RYAN who have put forth actual, real-world proposals to bring about reasonable restraints on entitlement spending and maintain taxation at its historic levels, or they can choose the President's impersonation of fiscal leadership, which is built on a phantom budget and large-scale attacks on anyone, such as Chairman RYAN, who offers a real, verifiable alternative.

But let's be clear. The phantom budget simply cannot translate into reality without collecting taxes that go far beyond those the President and congressional Democrats publicly support. Given the limitations on existing revenue streams, a value-added tax, even with all of its many drawbacks, is one of very few logical alternatives left to the other side. If they do not plan on instituting a VAT, they need to come clean with the American people and let everyone know how they plan to pay for their outsized spending.

Regardless of who wins this election, Congress will have to do more than just click its heels and wish for enough money to pay all our bills. Therefore, I think it is fair to assume that, in lieu of a line item for ruby slippers, the Democrats' phantom budget includes levels and forms of taxation heretofore unseen in the United States. You can be sure that if it is not a VAT, it will be something equally damaging to our economy.

Let me end with one other thought; that is, that we all know, according to the Joint Committee on Taxation, of which I am a member—but it is a non-partisan committee run by very good economists—the bottom 51 percent of all households—not just people; all households—do not pay a dime of income tax.

We have brought that about out of compassion for them, I have to say, but it means the upper 49 percent are paying for just about everything. Well, my friend Treasury Secretary Geithner pointed out: But, yes, they pay payroll taxes. Well, we all do. That is Social Security. They do not pay a dime of income taxes. I was quick to point out to Mr. Geithner that 23 million of them, approximately, get refundable tax credits from the government that are more than they pay in payroll taxes, so they are really not paying payroll taxes. Almost 16 million of them get refundable tax credits from all of us others out there, from the government itself, which is more than they and their employers pay in payroll taxes.

The fact is, I fail to understand why my friends on the other side are looking for ways to spread the base to an unsuspecting 51 percent who currently do not pay any real income taxes. I think there has to be a better way of spreading the base than doing it through a VAT, which in Europe has proven to be a ready way for politicians to increase spending over and over without really any inhibition or any real inhibition.

So if what I am talking about today is prophetic, it means without question that our friends on the other side want to keep spending. They want the Federal Government to keep growing, all at a cost to individuals, and they want to do it because that is what has kept them in power all of these years, taking all of your money out there and claiming that they are compassionate with your money when they are unwilling to be compassionate enough to keep living within our means.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

#### PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND AN ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES

Mr. CARDIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 56, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 56) providing for a conditional adjournment or recess of the Senate and an adjournment of the House of Representatives.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. CARDIN. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements related to the matter be printed in the RECORD as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 56) was agreed to, as follows:

#### S. CON. RES. 56

(Providing for a conditional adjournment or recess of the Senate and an adjournment of the House of Representatives)

*Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns on any day from Thursday, August 2, 2012, through Monday, August 6, 2012, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until 12:00 noon on Monday, September 10, 2012, or such other time on that day as may be specified by its Majority Leader or his designee in the motion to re-*

*cess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on any legislative day from Thursday, August 2, 2012, through Monday, August 6, 2012, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2:00 p.m. on Monday, September 10, 2012, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.*

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, or their respective designees, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

#### STOCK ACT AMENDMENTS

Mr. CARDIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 3510, introduced earlier today.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 3510) to prevent harm to the national security or endangering the military officers and civilian employees to whom internet publication of certain information applies, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. CARDIN. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3510) was ordered to a third reading, read the third time, and passed, as follows:

#### S. 3510

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. EFFECTIVE DATE DELAY.

The STOCK Act (Public Law 112-105) is amended—

(1) in section 8(a)(1), by striking “August 31, 2012” and inserting “September 30, 2012”; and

(2) in section 11(a)(1), by striking “August 31, 2012” and inserting “September 30, 2012”.

#### SEC. 2. IMPLEMENTATION OF PTR REQUIREMENTS UNDER STOCK ACT.

Effective September 30, 2012, for purposes of implementing subsection (l) of section 103 of the Ethics in Government Act of 1978 (as added by section 6 of the STOCK Act, Public Law 112-105) for reporting individuals whose reports under section 101 of such Act (5 U.S.C. App. 101) are required to be filed with the Clerk of the House of Representatives, section 102(e) of such Act (5 U.S.C. App. 102(e)) shall apply as if the report under such subsection (l) were a report under such section 101 but only with respect to the transaction information required under such subsection (l).

Mr. CARDIN. Mr. President, I ask unanimous consent to speak for up to 10 minutes as in morning business.